



Thursday, November 30, 2006

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Austin Energy
RECOMMENDATION FOR COUNCIL ACTION

ITEM No 3

Subject Approve ratification of a construction contract with DPR CONSTRUCTION, Austin, TX, for civil construction services at Austin Energy's new Wells Branch Substation, in an amount not to exceed \$220,000

Amount and Source of Funding Funding is available in the Fiscal Year 2006-2007 Capital Improvement Budget of Austin Energy

Fiscal Note A fiscal note is attached

Additional Backup Material

(click to open)

- FN-AE Tran
- FN_AE_Dist_Sub
- Memo
- EUC Action Notes

For More Information Cheryl Mele, Senior Vice President, Electric Service Delivery / 322-6062, Allen Small, Project Manager / 505-7111

MBE/WBE This contract was awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) This was an emergency service contract, therefore, it is exempted under Chapter 252 022 of the Texas Local Government Code and no goals were established for this solicitation

Boards and Commission Action Recommended by the Electric Utility Commission

Austin Energy (AE) determined the purchase of these civil construction services was a Critical Business Need to facilitate construction of AE's new Wells Branch Substation in Northwest Austin AE is constructing the substation in order to provide services to Hewlett-Packard's new data center facility and other office operations This contract will assist AE in meeting HP's requested timeline for energizing the substation by May 2007

This project provides for the initial steps towards construction of a 138kV electrical substation, which at completion will include installation of electrical equipment such as transformers, switchgear, and associated support structures The Wells Branch Substation will be located off Merriltown Road near Wells Branch Parkway

The work being performed under this contract consists of excavating the substation road and installing base material, and installing 770 feet of electric ductbank and four associated manholes

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION
WHERE ON AGENDA
DEPARTMENT

11/30/2006
Resolution
Austin Energy

SUBJECT Approve ratification of a construction contract with DPR CONSTRUCTION, Austin, TX, for civil construction services at Austin Energy's new Wells Branch Substation, in an amount not to exceed \$220,000

FINANCIAL INFORMATION

Parent Project Name **Transmission**
Project Authorization 2006-2007 Approved Capital Budget

Current Appropriation	\$ 169,740,734 00	
Unencumbered Balance		\$ 19,273,029 83
Amount of This Action		<u>(81,400 00)</u>
Remaining Balance		<u><u>\$ 19,191,629 83</u></u>

Use of Remaining Balance

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project

Use of Any Remaining Funds After Completion of Project

No remaining funds anticipated at this time

Director, Planning & Budget

Signature J E Pokorny

Date 11/20/2006

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION 11/30/2006
WHERE ON AGENDA Resolution
DEPARTMENT Austin Energy

SUBJECT Approve ratification of a construction contract with DPR CONSTRUCTION, Austin, TX, for civil construction services at Austin Energy's new Wells Branch Substation, in an amount not to exceed \$220,000

FINANCIAL INFORMATION

Parent Project Name **Distribution Substation**
Project Authorization 2006-2007 Approved Capital Budget

Current Appropriation	\$	93,649,349 00	
Unencumbered Balance			\$ 23,518,791 39
Amount of This Action			<u>(138,600 00)</u>
Remaining Balance			<u>\$ 23,380,191 39</u>

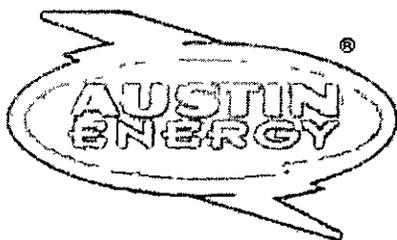
Use of Remaining Balance

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project

Use of Any Remaining Funds After Completion of Project

No remaining funds anticipated at this time

Director, Planning & Budget Signature J E Pokorny Date 11/20/2006



MEMORANDUM

TO: Mayor and Council Members
Toby Hammett Futrell, City Manager

FROM: Juan Garza, General Manager, Austin Energy

DATE: October 16, 2006

SUBJECT: Critical Business Need Substation Civil Construction to Serve Hewlett-Packard

ACTION

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy, the purchase of civil construction services from DPR Construction. We will bring an RCA to Council for ratification of this purchase next month.

BACKGROUND.

On May 17th, 2006, Austin Energy (AE) entered into an agreement with Hewlett Packard (HP) regarding services to their new facility in Northwest Austin. The agreement stipulated that AE would facilitate the construction of a substation for HP for their new data center off Merriltown Road. AE must implement a very tight schedule to meet HP's request to have this substation with its two transformers energized by May 2007.

DPR Construction is the prime contractor performing construction work for HP on the site in support of their new building. AE obtained from DPR a quote of \$220,000 to perform several tasks toward the civil construction of the substation, including excavating the substation road and installing base material, and installing 770 feet of electric ductbank and four associated manholes. With Purchasing's assistance, AE has reviewed the quote and deemed it reasonable and acceptable. Since the contractor is already mobilized to perform civil construction on the site, AE must take advantage of this opportunity to ensure the on-time completion of the station to meet our obligation to HP.

Please let me know if you have any questions or concerns. I can be reached at 322-6002.


Juan Garza
General Manager
Austin Energy



Electric Utility Commission
October 16, 2006
Meeting

Approve ratification of a construction contract with DPR CONSTRUCTION, for civil construction services at Austin Energy's new Wells Branch Substation, in an amount not to exceed \$220,000

Motion by Fath

Seconded by Wolfe

Ayes Alvarez, Fath, Knaupe, Sessa, Schmandt, Shaw, Weston, and Wolfe

Nays NONE

Abstaining NONE

Off the dais NONE

Absent NONE

The Commission approved this item, 8-0